

# FHA Streamline Refinance

## Section 223(a)(7)

U.S. Department of Housing and Urban Development  
Northwest/Alaska Multifamily Hub

FHA Section 222(a)(7) mortgage insurance program offers a streamline “no-cash-out” refinancing option for multifamily properties currently fully FHA-insured. Approved repairs may be financed. No appraisal is required.

### FHA Section 223(a)(7) features include:

- Fixed rate mortgages
- Fully amortizing loans
- No balloon payments required
- Term — New loan term may not exceed the remaining term of existing insured mortgage
  - *When FHA determines an extension is needed for project's feasibility, the mortgage term may be extended up to 12 years.*
- Fully assumable with lender's & FHA's approval
- Non-recourse
- Limited documentation
- Streamline underwriting terms
  - No appraisal required
  - Reduced Fees: Financing fees limited to 2%
- Non-critical repairs can be financed

### Underwriting:

- Mortgage loan size based on the lesser of:
  - Original principal balance of existing insured mortgage
  - Current principal balance plus the cost of repairs, approved improvements and loan closing costs
  - DSC ratios:
    - Profit-Motivated DSCR > 1.11
    - Nonprofit DSCR > 1.05

September 2003



**For More Information:**  
Visit Our Website at [www.hud.gov/Washington](http://www.hud.gov/Washington)  
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